



Background Paper for Proposed Ordinance

COUNCIL MEETING DATE: July 25, 2022

TO: President Heather Graham and Members of City Council

VIA: Marisa Stoller, City Clerk

CC: Mayor Nicholas A. Gradisar

FROM: Daniel C. Kogovsek, City Attorney

SUBJECT: AN ORDINANCE APPROVING AND AUTHORIZING THE MAYOR TO SIGN A SUBRECIPIENT AGREEMENT BETWEEN THE CITY OF PUEBLO, A COLORADO MUNICIPAL CORPORATION AND HABITAT FOR HUMANITY OF PUEBLO, INC., A COLORADO NONPROFIT CORPORATION, AS AUTHORIZED BY SECTION 603 OF THE AMERICAN RESCUE PLAN ACT AND U.S. TREASURY FINAL RULE 31 CFR 35.6 AND AUTHORIZING THE PAYMENT OF THREE HUNDRED THOUSAND DOLLARS (\$300,000) FROM PROJECT NO. CI2113 - AMERICAN RESCUE PLAN ACT, FOR PURPOSES THEREOF

SUMMARY:

This Ordinance approves and authorizes the Mayor to sign a Subrecipient Agreement with Habitat for Humanity of Pueblo, Inc., a Colorado nonprofit corporation ("Habitat") to construct an owner-build single family home or duplex in the City of Pueblo (hereinafter "Project") as authorized by Section 603 of the American Rescue Plan Act and U.S. Treasury Final Rule 31 CFR 35.6. Funds for the project, in the amount of \$300,000 will be paid out of Project No. CI2113, the American Rescue Plan Act.

PREVIOUS COUNCIL ACTION:

By Ordinance No. 9931, approved on May 17, 2021, the City Council established Project No. CI2113 and budgeted and appropriated up to \$36.7 million in funds which were expected to be distributed to the City from the American Recovery Plan Act ("ARPA") for covered costs and eligible expenses to be incurred during the period which began on March 3, 2021 until December 31, 2024 (to be expended by December 31, 2026).

BACKGROUND:

The Agreement approved by the attached Ordinance requires Habitat to construct one (1) owner-build, single-family home in the City of Pueblo for members of the Pueblo community who were "disproportionately impacted" by the COVID-19 pandemic. The home must be built in a Qualified Census Tract and must be purchased by low-income individual(s) who qualify for federal anti-poverty programs. Habitat Pueblo is required to target individuals and families that fall in the 50 – 80% Area Median Income (AMI) limit as set by HUD for Pueblo County. Subrecipient is authorized to build or renovate a 3 bedroom, 2 bath, 1,300 sq. ft. ranch style

home. Habitat Pueblo is also authorized to build or renovate a duplex, with each unit consisting of 2 bedroom, 1 ½ bath home.

FINANCIAL IMPLICATIONS:

Habitat will receive \$300,000.00 in ARPA funds from Project No.CI2113.

BOARD/COMMISSION RECOMMENDATION:

Not applicable to this Ordinance.

STAKEHOLDER PROCESS:

Not applicable to this Ordinance.

ALTERNATIVES:

City Council could decide not to support the construction of an owner-build single family home or duplex in the City.

RECOMMENDATION:

Approval of the Ordinance

Attachments:

Proposed Ordinance

Proposed Subrecipient Agreement.

ORDINANCE NO. _____

AN ORDINANCE APPROVING AND AUTHORIZING THE MAYOR TO SIGN A SUBRECIPIENT AGREEMENT BETWEEN THE CITY OF PUEBLO, A COLORADO MUNICIPAL CORPORATION AND HABITAT FOR HUMANITY OF PUEBLO, INC., A COLORADO NONPROFIT CORPORATION, AS AUTHORIZED BY SECTION 603 OF THE AMERICAN RESCUE PLAN ACT AND U.S. TREASURY FINAL RULE 31 CFR 35.6 AND AUTHORIZING THE PAYMENT OF THREE HUNDRED THOUSAND DOLLARS (\$300,000) FROM PROJECT NO. CI-2113 - AMERICAN RESCUE PLAN ACT, FOR PURPOSES THEREOF

RECITALS

The following recitals are incorporated in and made a part of this Ordinance.

WHEREAS, on March 11, 2021, President Biden signed the U.S. Senate-amended H.R. 1319 (P.L. 117-2) known as the American Rescue Plan Act (hereinafter “ARPA”); and

WHEREAS, on May 10, 2021, the U.S. Treasury issued the Interim Final Rule to implement ARPA in Title 31, Part 35 of the Code of Federal Regulations (“CFR”); and

WHEREAS, on January 6, 2022, the U.S. Treasury issued, with an effective date of April 1, 2022, the Final Rule to implement ARPA in Title 31, Part 35 of the Code of Federal Regulations (“CFR”); and

WHEREAS, under the Final Rule, recipients may use Coronavirus Local Fiscal Recovery Funds (“CLFRF”) to respond to the COVID-19 public health emergency and the negative economic consequences resulting therefrom; and

WHEREAS, under ARPA Section 603 (c)(1)(A) and (3) and the Final Rule 31 CFR 35.6(b)(7) recipients may use CLFR Funds to award grants to nonprofit organizations that are responding to the negative economic impacts of the COVID-19 public health emergency; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF PUEBLO that:

SECTION 1.

The Subrecipient Agreement (“Agreement”) dated August 8, 2022, between the City of Pueblo, a Colorado municipal corporation and Habitat for Humanity of Pueblo, Inc., a Colorado nonprofit corporation, a copy of which is attached hereto, having been approved as to form by the City Attorney, is hereby approved:

SECTION 2.

The Mayor is hereby authorized to execute said Agreement for and on behalf of the City and the City Clerk is authorized to affix the seal of the City thereto and attest same.

SECTION 3.

Funds in the amount of \$300,000 are hereby authorized to be paid from Project No. CI2113 – American Rescue Plan Act, for purposes of constructing an owner-build single family home or duplex in the City, as described in the attached Agreement.

SECTION 4.

The officers and staff of the City are authorized to perform any and all acts consistent with this Ordinance and the attached Agreement to implement the policies and procedures described herein.

SECTION 5.

This Ordinance shall become effective on the date of final action by the Mayor and City Council.

Action by City Council:

Introduced and initial adoption of Ordinance by City Council on _____.

Final adoption of Ordinance by City Council on _____.

President of City Council

Action by the Mayor:

- Approved on _____.
- Disapproved on _____ based on the following objections:

Mayor

Action by City Council After Disapproval by the Mayor:

- Council did not act to override the Mayor's veto.
- Ordinance re-adopted on a vote of _____, on _____
- Council action on _____ failed to override the Mayor's veto.

President of City Council

ATTEST

City Clerk